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December 24, 2025

W. V. Penner, P.Eng.
Manager
Manitoba Hydro
360 Portage Ave (16)
Box 815 Stn. Main
Winnipeg MB R3C 0G8
wvpenner@hydro.mb.ca

Dear Wes Penner:

Thank you for your request dated March 14, 2025, for the renewal of the Second Short-Term Extension Licence (STEL) for the Slave Falls Generating Station under the provisions of The Water Power Act and the Water Power Regulation.

Enclosed is the Third STEL for the Slave Falls Generating Station. This STEL applies for a nine-month period, and expires on September 30, 2026. Crown-Indigenous consultation with respect of the Second Renewal Licence for this generating station will also be undertaken with affected Indigenous Nations and communities during this period.

In addition to the enclosed Licence requirements, and in accordance with Section 87 of the Water Power Regulation, the Licensee is instructed to:

- Participate in the future licence modernization processes as directed by Manitoba.

If you have any questions regarding this matter, please contact Agnes Wittmann, Director, Environmental Approvals Branch, at EABdirector@gov.mb.ca or 204-945-8321.

Sincerely,



Jocelyn Baker
Deputy Minister

Enclosures

c. Honourable Mike Moyes
Agnes Wittmann

SHORT-TERM EXTENSION LICENCE

Issue Date / Date de délivrance: December 24, 2025

In accordance with The Water Power Act (C.C.S.M. c. W60) /
Conformément à la LOI sur l'énergie hydraulique (c. W60 de la C.P.L.M.)

Pursuant to Section 92 of the Water Power Regulation (M.R. 25/88R) of The Water Power Act (C.C.S.M. c. W60) /
Conformément à l'article 92 du Règlement sur l'énergie hydraulique (R.M. 25/88R) de la Loi sur l'énergie hydraulique (c. W60 de la C.P.L.M.)

THIS THIRD SHORT-TERM EXTENSION LICENCE IS ISSUED TO:

MANITOBA HYDRO, "the licensee"

being duly incorporated by an Act of the Legislature of the Province of Manitoba
whose head office address is at 360 Portage Avenue,
Winnipeg, Manitoba, R3C 0G8,

for the development of water power at Slave Falls Site on Winnipeg River.

WHEREAS:

- A. The licensee is the holder of a Second Short-Term Extension Licence for the Slave Falls Site, a licence issued under The Water Power Act, dated December 23, 2024, for a term of one (1) year effective from January 1, 2025, as the extension of the previously issued Renewal Licence. A copy of the Renewal Licence is attached as Schedule A to this Third Short-term Extension Licence;
- B. The licensee by letter dated September 12, 2017, signed by W.V. Penner, Manager, Manitoba Hydro, applied for a renewal of the Slave Falls Renewal Licence;
- C. The Renewal Licence has not yet been renewed, and the licensee has applied by letter dated March 14, 2025, signed by W. V. Penner, Manager, Waterway Approvals and Monitoring Department, to the Director of Environmental Approvals Branch of Manitoba, Environment and Climate Change for a Third Short-Term Extension Licence Renewal for the Slave Falls development in accordance with section 92(6) of the Water Power Regulation and has done all things which, in the opinion of the Director, are required to be done by the licensee prior to the issuance of this Third Short-Term Extension Licence;
- D. It is contemplated that Crown-Indigenous Consultations will be continued to inform decisions associated with the application for a Second Renewal Licence during the term of this Third Short-Term Extension Licence;
- E. The licensee has duly executed an acceptance of the terms and conditions of this Third Short-Term Extension Licence and has undertaken to observe and fulfill all the terms and conditions which the licensee is required to observe and fulfill under this Third Short-Term Extension Licence:

This Third Short-Term Extension Licence is granting to the licensee:

- (a) the right to impound, divert, and use water of the Winnipeg River at and near the Slave Falls Site;
- (b) the right to develop electric power and energy from the said waters;
- (c) the right to generate, transmit, distribute, sell, and deliver the said electric power and energy and for that purpose to use and occupy the lands of the

- (d) Province described in the Renewal Licence; and
the right to operate and maintain the undertaking, the location and description of which is shown upon the record plans numbered and filed in the office of the Director at Winnipeg (the "Undertaking").

This Third Short-Term Extension Licence is issued on the same terms and conditions as set out in the Renewal Licence dated June 30, 1982, subject to the following specific terms and conditions:

1. This Third Short-Term Extension Licence shall apply from January 1, 2026, to and including September 30, 2026.
2. On or before April 30th of each year, the licensee shall pay an annual rental in advance for the use and occupation of lands of the Province described in Article 3 (a), (b), and (c) of the Renewal Licence at the rates set from time to time by the Water Power Regulation under The Water Power Act.¹
3. The licensee shall pay an annual rental for the use of water for the development of power at the rates set from time to time by Regulation under The Water Power Act and payable at the times and in the manner provided for by Regulation under The Water Power Act.²
4. The terms and conditions set out in the Renewal Licence apply as if set out specifically in this Third Short-term Extension Licence, except where the terms and conditions of the Renewal Licence are inconsistent with the terms and conditions set out specifically in this document, the terms and conditions set out in this document will apply.
5. The licensee shall participate in future planning, studies, and other initiatives as instructed by the Minister, in areas impacted by the Undertaking along with affected Indigenous Nations and communities and other stakeholders.
6. The licensee shall, by June 30th of each year, submit a report to the Director documenting the licensee's engagement with Indigenous Nations and communities on the continued operation of the Undertaking.
7. The licensee shall comply with The Water Power Act and the Water Power Regulation.


For: Jocelyn Baker
Deputy Minister

¹ Rental rates for land use are currently set out in s. 48(3.1) of the Water Power Regulation.

² Rental rates for the use of water for the development of power are currently set out in s. 48(3.2) of the Water Power Regulation.

**SCHEDULE A
TO THE THIRD SHORT-TERM EXTENSION LICENCE FOR
THE SLAVE FALLS SITE**

RENEWAL LICENCE DATED JUNE 30, 1982

PROVINCE OF MANITOBA
DEPARTMENT OF NATURAL RESOURCES

RENEWAL LICENCE FOR THE DEVELOPMENT OF WATER POWER

Slave Falls Site, Winnipeg River

Issued in accordance with the provisions of the Water Power Act, Chapter W70 of the Continuing Consolidation of the Statutes of Manitoba, and of the Regulations in force thereunder to govern the mode of granting and administering Provincial water power rights.

WHEREAS the Corporation of the City of Winnipeg (hereinafter called "the Licensee") in the Province of Manitoba, was granted by a Final Licence dated May 18, 1934 for a term of fifty (50) years computed from the first day of January, A.D., 1932, the right to divert and use continuously for the development of electrical power or energy the entire flowage of the Winnipeg River at and near the site known as Slave Falls, and to use and occupy such lands of the Province as may be required for the proper maintenance and operation of the works of the Licensee at the said site;

AND WHEREAS the Licensee, by letter of February 27, 1978 has applied to the Department of Natural Resources for a Renewal Licence for the Slave Falls development and has done all things which in the opinion of the Director of the Water Resources Branch (hereinafter called "the Director") are required to be done prior to the issuance of the said Renewal Licence;

AND WHEREAS the Licensee has executed under the hands of its proper Officers in that behalf an acceptance of the terms and conditions of this Renewal Licence and has undertaken to observe and fulfil all the terms and conditions which under this Renewal Licence and under the Water Power Act, Chapter W70 of the Continuing Consolidation of the Statutes of Manitoba (hereinafter called "the Act") and the Manitoba Water Power Regulations being Manitoba Regulation 95/45 and all amendments thereto (hereinafter called "the Regulations"), the Licensee is required to observe and fulfil;

NOW THEREFORE, under authority of and subject to the provisions of the Act and Regulations thereunder this Renewal Licence is issued granting to the Licensee:

- (a) The right to impound, divert and use waters of the Winnipeg River at and near the Slave Falls site,
- (b) The right to develop electric power and energy from the said waters,
- (c) The right to generate, transmit, distribute, sell and deliver the said electric power and energy and for that purpose to use and occupy the lands of the Province hereinafter described, and
- (d) The right to maintain and operate the undertaking, the location and description of which is shown upon record plans numbered and filed in the office of the Director at Winnipeg.

Subject, nevertheless, to the provisions of the Regulations and any other regulations now or hereafter in force governing the granting and administering of Provincial water powers and the lands required in connection with the development and use thereof, and to the following special terms and conditions, namely:

1. The Licensee may divert and use continuously for the development of power at the said Slave Falls site all the waters of the Winnipeg River which may be flowing at the said site from time to time during the term of this Renewal Licence, subject, however, to the provisions of Section 72 of the Regulations.
2. The undertaking authorized to be maintained by the Licensee under the Renewal Licence shall comprise the following: in the east channel of the Winnipeg River, a powerhouse with eight 12,000-horsepower vertical type main turbines, two service turbines and two regulating sluices; extending from the ends of the powerhouse northward to the Island and southward and eastward to the east main bank of the River, concrete gravity-type dams with adequate sluice-gate and spillway capacity; in the west channel of the River, a rock-fill dam; in the main River at the site of the natural fall,

a rock-cut channel to increase the discharging capacity; switching station; transmission lines; roads; from the power-house a standard gauge railway about seven miles in length to connect with the existing railway from the Pointe du Bois plant of the Licensee; and all necessary works, machinery and equipment for the complete development, generation and transmission of electric power available at the said Slave Falls site, all as shown by plans and descriptions thereof filed in the office of the Director at Winnipeg, as follows:

Manitoba Water Resources Branch File Number	Licensee's File number	Description
21-11-7013 (Sheet 1)	-	Key Plan
21-11-7001	F.E. 41301	General Plan of Works
21-11-7002	S.D. 48322	Profiles and Cross Sections of Dams
21-11-7003	S.D. 48293	Plan of Rock Fill Dam - West Channel
21-11-7004	S.D. 48294	Profile and Cross Sections for Rock Fill Dams in West Channel
21-11-7006	S.D. 48300	Typical Cross Section through Power House
21-11-7007	S.D. 48323	Cross Section at House Units, looking South
21-11-7008	S.D. 48319	Section through unfinished unit and Section through Regulating Sluice
21-11-7009	S.D. 48303	Longitudinal Section at C.L. of Units, looking east
21-11-7010	S.D. 48301	Longitudinal Section through Transformer Pockets
21-11-7011	S.D. 4806	General Floor Plan of First Development

3. Lands of the Province which may be entered upon, used or occupied for the maintenance and operation of the said undertaking shall be the following:

(a) Lands of the Province not covered by water required for diverting works, powerhouses, etc.

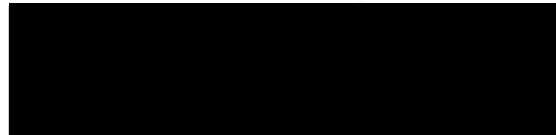
- (1) All those portions of the Northeast quarter of Section thirty-five (35) and of the Northwest quarter of Section thirty-six (36) in Township fourteen (14), Range fourteen (14) East of the Principal Meridian in Manitoba not covered by any of the waters of the Winnipeg River as shown on a map or plan of the said Township approved and confirmed at Ottawa by E. Deville, Surveyor General of Dominion Lands on the 3rd of March, 1909.

- (11) All those portions of the South half and of the South half of the North half of Section two (2) in Township fifteen (15), Range fourteen (14), East of the Principal Meridian in Manitoba not covered by any of the waters of the Winnipeg River as shown on a map or plan of the said Township approved and confirmed at Ottawa by E. Deville, Surveyor General of Dominion Lands on the 26th of August, 1914.
- (b) Lands of the Province covered by water required for main diverting works, powerhouses, etc.
- (i) All those portions of the Northeast quarter of Section thirty-five (35) and of the Northwest quarter of Section thirty-six (36) in Township fourteen (14), Range fourteen (14) East of the Principal Meridian in Manitoba which are covered by any of the waters of the Winnipeg River as shown on the map or plan firstly above referred to.
- (ii) All those portions of the South half and of the South half of the North half of Section two (2) in Township fifteen (15), Range fourteen (14) East of the Principal Meridian in Manitoba which are covered by any of the waters of the Winnipeg River as shown on the map or plan secondly above referred to.
- (c) Lands of the Province required only to be flooded in connection with the storage or pondage of water.
- All those portions of Township fifteen (15) in Ranges fourteen (14) and fifteen (15) East of the Principal Meridian in Manitoba required for flooding, not including Parcels A and B, as shown outlined in blue color on a plan filed in the Winnipeg Land Titles Office as No. 3689 excepting thereout all those lands heretofore described as required for works.
4. The Licensee shall not raise the headwater of its development to an elevation higher than 933.8 feet above mean sea level, Canadian Geodetic Datum 1929 Adjustment. A higher elevation may be created only with written permission by the Minister in accordance with Section 72 of the Regulations.

5. The term of this Renewal Licence shall be forty (40) years from and after the first day of January, A.D. 1982, and the said term shall thereafter be subject to renewal or extension in accordance with the provisions of the laws and regulations relating thereto and then in force.
6. On the second day of January in each and every year of this Renewal Licence the Licensee shall pay an annual rental in advance of eleven thousand dollars (\$11,000.00) for the use and occupation of lands of the Province described in parts (a), (b) and (c) of Article 3 hereof. Such rental shall be reviewed and adjusted if deemed appropriate on or before the first day of January, A.D. 1987 and every five years thereafter during the term of this Renewal Licence.
7. The Licensee shall also pay an annual rental during the term of this Renewal Licence for the use of water for the development of power, determined in accordance with the principles set out in Section 48 of the Regulations and payable at the times and in the manner therein provided, and at the following rates:
 - (a) the horsepower capacity of the licensed installation multiplied by \$1.30; or
 - (b) the horsepower year output of the licensed installation multiplied by \$3.25;whichever is the greater.
8. The Licensee shall from the first day of January, A.D. 1982 pay annually the proportionate share chargeable to its development of the annual costs of operating and maintaining water storage in Lake of the Woods and Lac Seul; the first of such annual payments shall be made on the first day of January, A.D. 1983 and subsequent annual payments thereafter shall be made on the first day of January of each and every year until the termination of this Licence, each payment to represent the Licensee's share of the said annual operating costs for the preceding calendar year.
9. The Severance Line as defined in Section 1 of the Regulations shall be as shown on Record Plan No. 21-11-7013 (Sheet 1) filed in the office of the said Director.

10. All record plans filed with the said Director and referred to in this Renewal Licence are incorporated herewith and made a part hereof.
11. This Renewal Licence is issued upon the express condition that it shall be subject to the provisions of the Regulations and all subsequent amendments thereto.

ISSUED at Winnipeg this 30th day of June A.D. 1982 ,
at the direction of the Honourable the Minister of Natural Resources.

A large black rectangular box redacting the signature of the Minister of Natural Resources.

Minister of Natural Resources